

**IN THE SPECIFICATION:**

**Please amend the paragraph bridging pages 6 and 7 as follows:**

Fig. 6 is a sectional view taken along the lines VI-VI of Fig. 7 showing a general type of valve timing adjustment device, and Fig. 7 is a sectional view taken along the lines VII-VII of Fig. 6. A valve timing adjustment device 21 is provided with a phase changing mechanism 23 mounted on a camshaft 22. A sprocket 24 is rotatably mounted on the camshaft 22, and a plurality of external teeth 91 is formed on periphery portion of the sprocket 24. The external teeth 91 of the sprocket 24 and a crank pulley 92 of a crankshaft 93 (not shown) are hooked by a timing chain 94. As a result, rotation of the sprocket 24 and that of the crankshaft 93 are synchronized.

**Please amend the first paragraph on page 8 as follows:**

The housing 25 rotates synchronously with the crankshaft 93. Therefore it may be said that the rotation of the rotor 26 is relative not only to the housing 25 but also to the crankshaft 93. Accordingly, it is possible to change rotation phase of the camshaft 22 in relation to the crankshaft 93 by adjusting position of the rotor 26 in relation to the housing 25, namely by adjusting dimensions of the first hydraulic chambers 81 and the second hydraulic chambers 82. Change in rotation phase in this manner can be conducted by supplying or discharging oil to or from a first oil passage 39 and a second oil passage 40 communicating respectively to the first hydraulic chamber 81 and the second hydraulic chamber 82.